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STATE DOCUMENTS

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annual report  
of the

Department of Labor and Industry



to the  
Governor of Montana  
Honorable Forrest H. Anderson

for the fiscal year ended

30 June 1970

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Department of Labor and Industry



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FORREST H. ANDERSON  
GOVERNOR OF MONTANA

SIDNEY T. SMITH  
LABOR COMMISSIONER

The Honorable Forrest H. Anderson  
Governor  
State of Montana  
Helena, Montana 59601

Dear Governor Anderson:

In accordance with the requirements of Section 82-4002, R. C. M., 1947, there is herewith transmitted to you the report of the Department of Labor and Industry for the fiscal year ending June 30, 1970.

The period covered by the report has been high-lighted by a study of the past operations of the department, not in a search for things to criticize, but to become knowledgeable of the operation and to recommend changes in direction of emphasis from "let it be", to "let's do what is required by law within the limits of staff and money available". This study and change resulted in recommendations in the report in the following areas:

1. Re-organization within the department as presently constituted.
2. Recommend new legislation, in particular, a minimum wage law, laws dealing with public employees problems of organizing, and ways to settle disputes in the public sector.

We realize we are presently just giving token enforcement and services due to a limited staff, but under our present re-organization a substantial increase in services will be accomplished.

Respectfully submitted,

A handwritten signature in blue ink that reads "Sidney T. Smith".

Sidney T. Smith  
Commissioner of Labor

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PRINCIPAL OFFICES AND OFFICERS

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DEPARTMENT OF LABOR, INDUSTRY

AND

APPRENTICESHIP COUNCIL

OFFICER

HOME ADDRESS

TERM OF OFFICE

Department of Labor & Industry

Sidney T. Smith, Commissioner

430 Raymond, Helena

(3-1-60 to 2-28-73)

Apprenticeship Council

Howard W. Bogie, Director

1425 Hauser, Helena

PRINCIPAL OFFICE

1336 Helena Avenue, Helena, Montana 59601

## LEGAL REFERENCES

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Title 41, Chapter 16, R. C. M., 1947, created the Department of Labor and Industry, and Sections 41-101 through 41-2209, R. C. M., 1947, relate to the operation of the department.

Title 99-104, Chapter 1, R. C. M., 1947, make the Commissioner of Labor and Industry an ex-officio member of the Industrial Accident Board.

Title 63, Chapter 3, R. C. M., 1947, enacted legislation providing for implementation of Civil Rights, and by executive directive the enforcement of this Act was assigned to the Department of Labor and Industry.



## PRINCIPAL GOALS

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The Department of Labor and Industry is charged with the duty of enforcing all laws of Montana relating to hours of labor, conditions of labor, prosecution of employers who default in payment of wages, and protection of employees. This department enforces all laws relating to child labor, regulating the employment of children in any manner, and to administering the laws of the state relating to free employment offices.

The above is broad in scope, in delegating the authority to enforce and administer labor laws to the Department of Labor and Industry. Much legislation, creating separate departments and assigning these duties to other departments, has eroded the effectiveness of administering labor laws. Hopefully this can be remedied by future legislation.

## FISCAL SUMMARY

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### DEPARTMENT OF LABOR AND INDUSTRY

Total Budget-----1968-----\$49,613.00

Total Budget-----1969-----\$53,038.00

Total Budget-----1970-----\$70,126.00

## MAJOR ACCOMPLISHMENTS

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1. Re-Organization within the Department
2. Mediation and Election in the Public and Private Sector
3. Prevailing Wages
4. Wage Claims
5. Child Labor
6. Civil Rights
7. Liaison between State Departments and Employees. Both Union and Non-Union.

## MAJOR ACCOMPLISHMENTS

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### 1. RE-ORGANIZATION OF THE DEPARTMENT OF LABOR BY TWO MAJOR REVISIONS:

Under agreement with the Highway Commission Board Members, the Labor Compliance Section of the Highway Department was placed under the jurisdiction and supervision of the Department of Labor. This does away with duplication of field work by utilizing one fieldman for both departments.

Re-organization of the Apprenticeship Council by appointing the Commissioner of Labor in charge of the administration of the program, and eliminating the position of Director as a separate administration within the Department of Labor and Industry, and using the money saved for a much needed fieldman for compliance of both departments.

### 2. MEDIATION AND ELECTION:

Mediation of labor disputes, especially in the public sector has no legal machinery to try to fore-stall or settle such disputes. Without such legal authority, this department was called upon to settle several such disputes, and to hold elections to settle union representation for bargaining purposes. These mediation and/or election efforts were only taken on when both parties requested our services.

### 3. PREVAILING WAGES:

Prevailing wages required under Public Works, has been very successful. By enforcing this law our department has been able to keep out of Montana, Contractors who bid on jobs at a lower rate than

## MAJOR ACCOMPLISHMENTS

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our Montana Contractors.

### 4. WAGE CLAIMS:

Wage Claims are decreasing slightly, due to business and industry becoming aware that this department means business when we find violations. This has been brought to their attention by their associations and the Chambers of Commerce, and also due to our filing summons to hearings by Sheriffs, rather than mail.

### 5. CHILD LABOR:

Child labor enforcement of safety has increased, by using the higher standards, where applicable, of the Federal Regulations for Dangerous Occupations for eighteen (18) year olds. We are gradually pushing for the filing of Age Certificates, as personnel is able to handle such work. We do not have sufficient help to completely enforce the filing of these Age Certificates.

### 6. CIVIL RIGHTS:

Under executive directive, this office became responsible for the enforcement of Civil Rights, under Chapter 3, Title 6<sup>A</sup>, Revised Codes of Montana 1947. Investigation of complaints under Equal Employment Opportunity and discrimination in housing is becoming a major duty of this department, and while there is discrimination in Montana, we have aided in keeping it at a minimum. One case of discrimination is one too many.

## MAJOR ACCOMPLISHMENTS

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### 7. LIAISON BETWEEN STATE DEPARTMENTS AND EMPLOYEES:

Liaison between State Employees and Departments, at the request of various unions and non-unions, and public, has resulted in very good relations between employers, employees, and the public. This department works very closely with the U. S. Department of Labor and great effort has been expended to cooperate with our Federal counterparts, and also with our Senators and Representatives in Washington.



## MAJOR RECOMMENDATIONS

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1. Montana is one of nine (9) states without a Minimum Wage Law. The Department of Labor and Industry recommends for first priorities, the enactment of a Minimum Wage Law, starting with \$1.20 the first year after enactment. During the second year this wage would be increased to \$1.40 and would then equal the Federal Minimum Wage rate of \$1.60 the third year. A copy of the proposed law will be submitted.

Setting up administration of such a law would probably need an appropriation for the first year, of an estimated \$25,000.00 to establish the procedures, and future appropriations would be based on the actual work load.

2. A law should be enacted to set up a public employees mediation service. In spite of Civil Service, Meret Systems, and laws prohibiting public employees the right to bargain or strike, this will be a major need for state, county, and city. School district employees across the United States are demanding a voice in their employment conditions. Laws to deal with this public segment of employees must be enacted in order to avoid serious disruptions of services to the public.
3. Age Certificate requirements should remain, but the mechanics of issuing them should be modified and up-dated. Present requirements call for issuing new Age Certificates each year for each new job.

## MAJOR RECOMMENDATIONS

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This can require the child to need several certificates issued in one year. We recommend that an Age Certificate be issued to the sixteen (16) year old, and that it be valid for proof of age in employment until he reaches his majority. Also that employers need only to file with this office the date he is hired, and refer to his Age Certificate number for our records.

4. If the Constitution is to be changed, Article XVIII should be dropped or modified, since the enforcement of such provisions is impossible. The wage and hour provision of the Federal Government should be substituted for this constitutional amendment.
5. The law dealing with wage claims should be up-dated and great enforcement power should be granted to the department. Penalties should be increased to put teeth into the law.
6. Civil Rights laws should be re-examined in the light of Federal Laws covering violations of human rights. Laws in Montana should be enacted with enough penalties, and enforcement provisions, so that when such rights are infringed, justice can become a fact in Montana. I, at one time felt we should enact such laws necessary to be eligible for a Federal Deferral Agreement, but my feeling now, after study and experiences in other states, is that we should revise our laws and take care of our own problems.

## ANALYSIS OF PROGRAMS

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### WAGE PAYMENTS

Claims filed - 1,700 = \$87,000.00 - collected

After being officially filed, most claims are settled by correspondence, and about five percent (5%) require hearings before being settled.

### CHILD LABOR

Age Certificates filed - 2,038

Due to the lack of personnel we are handling a minimum of these certificates that should be filed.

Enforcement of other child labor regulations are also, only tokenly enforced due to the lack of personnel. Only complaints are handled. We should be in the field more to protect children from exploitation.

### EQUAL EMPLOYMENT RIGHTS

We have received seventeen (17) complaints regarding equal employment rights. They have been investigated, and all have been rectified by personal contact.

### RESTAURANT, BAR AND TAVERN WAGE PROTECTION ACT

In compliance with this Act, bonds are to be filed by non-owners of buildings or equipment. Approximately three hundred (300) bonds are filed annually. Wage complaints in this field are high.

### APPRENTICESHIP COUNCIL

## ANALYSIS OF PROGRAMS

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1968 - 1969 Apprentices Trained - 821

1969 - 1970 Apprentices Trained - 873

Council meetings are held in May and October.

Veterans under G. I. are handled under the supervision of the State Council.

### EMPLOYMENT AGENCIES REGULATIONS

We have several complaints concerning employment agencies. One court action has been filed, and is still in court.

This law should be up-dated and stronger regulations established.

### PREVAILING WAGES

The new Prevailing Wage Law put into effect this year is working very successful. It has eliminated out of state contractors under bidding Montana contractors, by paying sub-standard wages.

### MEDIATION AND CONCILIATION

There is no Montana law on mediation and conciliation, but this office was called upon to help settle several disputes in the public sector at the request of the executive offices.

This office held elections when requested, at schools, cities, and State Institutions.

The department interpreted contract clauses in the private sector at the request of both parties.

COST OF ALL PROGRAMS

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	1967 - 1968	1968 - 1969	1969 - 1970
COST.....	\$49,613.00	\$53,038.00	\$70,126.00

## MONTANA STATE APPRENTICESHIP COUNCIL

Report for  
Year  
1968 - 1969

Montana's Apprenticeship Law was enacted in 1941. The basic principle of the Law is to provide the direction and assistance for a voluntary co-operative relationship between employers and employees for the purpose of training qualified journeymen, and is the policy-making body on all apprenticeship matters at the State level. The Montana Department of Public Instruction is assigned the responsibility of providing the related or classroom instruction for all apprentices. The U. S. Department of Labor - Bureau of Apprenticeship and Training, with headquarters in Helena, is the liaison between the Montana Council and the Federal Committee on National Policies. The work of the Council and its staff is as follows:

1. Make all policies, formulate and write or approve all standards for every apprentice program.
2. Approve all business establishments for training apprentices.
3. Register all apprentices, file original agreements. Keep monthly work records of all apprentices.
4. Arrange all related classroom instruction through the Department of Public Instruction.
5. Reinspect every six (6) months all business establishments and apprentices' work records.
6. Approve employment of apprentices on State Highway and Federal work projects.
7. Issue all diplomas or Completion Certificates to apprentices.
8. Approve employment of all apprentices under the Davis-Bacon Act for Federal projects.
9. Certify apprentice and program to Selective Service for draft deferment.
10. Keep permanent record on all apprentices, cancelled, suspended and completed.
11. The Council has been made the State approving agency for the G.I. Bill for apprenticeship and on-job-training for veterans.
12. We approve the business establishments and also the veterans for these benefits if they meet the requirements.



Under the new G.I. Bill P.L. 90-77, we, as the State Approving Agency, have approved during the three (3) years of this program:

428 Veterans on Apprenticeship Training and  
On-Job-Training

256 Montana business establishments approved for  
training veterans

The Council staff consists of a State Director, one field representative, and a secretary with offices in Room 417 - Sam W. Mitchell Building, Helena, Montana.

The Montana State Apprenticeship Council consists of six (6) voting members appointed for three (3) year terms by the Governor of Montana. There are also three (3) ex-officio non-voting members.

The present Council consists of the following members:

Employee Representatives

Roland Bassett - Great Falls, Chairman

E. James Frost - Havre

Bernhard Merkel - Bozeman

Employer Representatives

K. D. Crowley - Butte, Vice-Chairman

R. I. Riedesel - Billings

E. J. Palmquist - Helena

Ex-Officio Members

Jesse C. Fletcher - Director, Montana State Employment Service

Clarence R. Anthony - Supervisor, Trade and Industrial Education  
Department of Public Instruction

Sidney T. Smith - Commissioner, Department of Labor and Industry

Our appropriation severely restricted the activities of the Council staff. We were only able to carry out 50% of the work load required by the Apprenticeship Law. The travel was very limited and we were unable to meet many of the requests from School Counselors for our participation in guidance seminars.

Another fieldman is required as it is impossible to cover Montana with only one fieldman. The U. S. Department of Labor has closed the Butte office of the Bureau of Apprenticeship & Training which has now put the entire western part of Montana in our work load. It is more imperative that we have an additional fieldman.

Some programs cannot be properly serviced, which is twice per year inspections of both facilities and apprentices.

If Montana's apprenticeship program is allowed to deteriorate any further, we will find our State in a very serious position. We, the people, will have difficulty obtaining the services of a craftsman to repair that leaking pipe, repair your automobile or build an addition to your home. And, how can we build our schools, churches, and hospitals - we must have skilled workers. We will have to import skilled workers from other states at a cost premium.

We must continue this program by working with our schools, our businessmen and our labor organizations.

Our present cost is \$44.00 per year for the supervision and training of each apprentice in Montana. This training cost is a great deal smaller than some of the crash training programs that become necessary when a shortage of skilled craftsmen develops because an apprenticeship program was allowed to falter and become inactive.

This, we sincerely hope, will not be permitted to happen in Montana.

The following statistics show the number of apprentices we are training in 65 different trades. We should be training 2500 apprentices in Montana.

ACTIVE APPRENTICES BY TRADE AS OF JULY 1, 1969

AUTO BODY FENDERMAN	41
AUTO MECHANIC	59
AUTO MECHANIC H.D.	18
BAKER	8
BOILERMAKER	14
BOOKBINDER	3
BRICKLAYER	20
BUSINESS MACHINE MECHANIC	4
BUTCHER	1
CABINET MAKER	4
CARPENTER	107
COOK	1
DENTAL INSTRUMENT MAKER	2
DIESEL MECHANIC	10
ELECTRICIAN	90
ELECTRICIAN LINEMAN	43
ELECTRICIAN EQUIP. MECH.	6
FARM EQUIPMENT MECHANIC	1
FLOOR COVERER	9
GAS FITTER	4
GLAZIER	5
IRON WORKER	10
LATHER	2
LENS GRINDER	8
LYNOTYPE MACHINIST	2

ACTIVE APPRENTICES BY TRADE AS OF JULY 1, 1969

MACHINIST	37
MAILER	3
MAINTENANCE MECHANIC	3
MEAT CUTTER	24
METER & RELAY MECHANIC	2
MOTOR BOAT MECHANIC	1
MOULDER	4
ORTHOTIST - PROTHETIST	3
PAINTER	8
PHOTO ENGRAVER	3
PIPEFITTER	18
PLANT MECHANIC	3
PLUMBER	63
PRESSMAN	8
PRINTER	21
RADIO - TV REPAIRMAN	3
ROOFER	2
SHEET METAL WORKER	20
SHOE REPAIRMAN	1
SIGN ELECTRICIAN	2
SPRINKLER FITTER	1
STONEMASON	1
TELEPHONE FRAMEMAN	2
TELEPHONE INSTALLER	49
TELEPHONE LINEMAN	18

ACTIVE APPRENTICES BY TRADE AS OF JULY 1, 1969

TELEPHONE SWITCHMAN	1
TELEPHONE TESTBOARDMAN	5
TOTAL	787



# YEARLY APPRENTICE AVERAGES

Year	Total Apprentices			New Agreements	Cancellations	Completions
	Average	High	Low	Average per Month	Average per Month	Average per Month
1965	640	715	603	29	9	14
1966	736	771	707	33	14	14
1967	729	760	696	21	13	12
1968	721	767	703	32	13	13
1969	772	821	726	37	16	13

## APPENDIX ON WAGE COLLECTIONS

DECEMBER 1, 1968 TO JUNE 30, 1969

		<u>No. Claims</u>
Amount collected	\$21,204.52	125
Claims filed - no justification	19,228.52	45
Claims recommended for Civil Action	12,498.38	17
Referred to U. S. Department of Labor	1,734.80	8
Out-of-State Employers - cannot locate	2,995.21	15
Bankruptcy	2,489.85	9
Employers deceased - no assets	565.82	3
Claims Pending	2,155.24	12
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TOTAL	\$62,872.34	234

JULY 1, 1969 TO JUNE 30, 1970

Amounts collected	\$22,202.47	165
Claims filed - no justification	34,659.05	30
Claims recommended for Civil Action	8,759.82	7
Out-of-State Employers - cannot locate	3,101.45	13
Bankruptcy	642.05	5
Claims Pending	9,284.65	50
Civil Actions filed - Gallatin County	626.89	4
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TOTAL	\$79,276.47	274

Our assistance in the collection of wages has been asked by Commissioners of Labor from Nevada, Idaho, California, Washington, and North Dakota, which we investigated and resolved.

Our department asked for assistance from Commissioners of Labor from the States of Idaho, Washington, and South Dakota, which we received.

Only North Dakota has a reciprocity statute on wage collections, and we recommend a similar statute for our State.

During the fiscal year of 1969 and 1970, sixty-three (63) hearings on wage claims were conducted in various parts of the State, with the majority held in Helena.

Under the prevailing wage statute on public works, investigations and adjustments were made in Billings, Manhattan, Bozeman, Frenchtown, and Opheim.

At the request of employers at our State Institutions, we conducted elections to determine representation for collective bargaining purposes at the State Hospitals in Galen and Warm Springs, two at the State Prison in Deer Lodge, Eastern Montana College at Billings, City of Butte and the Police Department, plus election on acceptance of contract at Warm Springs.

At the request of Livingston-Bozeman Master Plumbers and Union, as a public Service, our office arbitrated a clause of their contract as to wages.

Our services were extended to Fergus County Commissioners, and their county employees conciliating a working agreement. Also with Montana Highway Commission conciliation on negotiation of Craft Council regarding Carpenters.



